

MEDIA RELEASE



**FEDERAL CHAMBER
OF AUTOMOTIVE
INDUSTRIES**

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NEW VEHICLE SALES SOFTEN IN JULY

Australian new vehicle sales softened in July, reflecting broader economic conditions and the impact of the proposed luxury car tax increase.

Official VFACTS figures released today by the Federal Chamber of Automotive Industries (FCAI) show that 83,976 cars, trucks and buses were sold in July – down 2,315 vehicles (2.7%) compared to the same month last year.

Year-to-date the car market is up 2.6 per cent on the same time last year, which was an all-time record year.

“Higher fuel prices, interest rates and the wider economic uncertainty have resulted in a slowing of people heading to showrooms,” FCAI chief executive Andrew McKellar said.

The figures also show that sales of so-called ‘luxury’ cars fell by 33 per cent in July, compared to the previous month.

“The proposed tax hike has had a devastating impact on new car sales,” Mr McKellar said.

“It is clear that the downturn has been exacerbated by the impact of this unfair tax hike, and the industry has significant concerns that orders will continue to be affected in coming months,” he said.

“If this situation continues, the government will not receive the additional revenue it had projected and there is a real risk that it will cost jobs,” Mr McKellar said.

“In these circumstances, one would have to question why the government would pursue this tax increase,” he said.

Sales in most of the passenger car and Sports Utility Vehicle segments (SUV) were down except for light cars (up 1.0%), SUV medium (up 8.1%) and SUV large (up 7.4%).

Light commercial vehicle sales held up well in July, with an increase of 897 vehicles or 6.3 per cent compared to the same month last year.

Toyota remained the top selling marque in July with 24.4 per cent of the market, followed by Holden with 13.3 per cent and Ford with 11.3 per cent.

Year-to-date, Toyota leads the sales race with 147,961 vehicles sold, followed by Holden with 78,271 and Ford with 63,933 vehicles.

For more information or interview requests:

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